IN THE CLAIMS

1.   (currently amended) A   method   of   transferring information between devices upon connection and reconnection comprising:

  providing a first device having a first identifier;

  providing a second device having a second identifier;

  the first device sending the first identifier to the second device during a first connection;

  the second device sending the second identifier to the first device during the first connection;

  the first device storing the second identifier and the second device storing the first identifier;

  when the first and second devices are disconnected and reconnected, the first device sending the first identifier to the second device and the second device sending the second identifier to the first device during the first reconnection, and each device comparing the received identifier against the stored identifier and sending additional information between the first and second device to the other device depending upon the result of the comparison if the received identifier matches the stored identifier,

  wherein the step of sending an identifier to the other device includes sending a value that is based on, but not equivalent to, the identifier, and

  wherein the value sent by the first device is based on one   or   more   mathematical   operations   using   at   least   the identifier, the number of times the first device has connected to the second device, and a third number as operands.

2.   (canceled)

3.   (currently amended) The   method   of   claim   2 1 wherein the value sent by the first device is based on the

number of times the first device has connected to the second device.

4.   (original)   The method of claim 3 wherein the difference between the different values sent each time is pseudo-random.

5.   (original)   The method of claim 3 wherein the value sent by the first device is determined based on at least one mathematical operation, and at least one of the purposes of the mathematical operation is to make it difficult to predict the next value to be sent.

6.   (canceled)

7.   (currently amended) The method of claim ~~6~~ 1 wherein the third number is a prime number.

8.   (currently amended) A method of authenticating a device comprising:
          receiving a first value from the device, the first value being different from an identifier associated with the device;
          determining the identifier from the value, the value being a function of the identifier and the number of times the device has been authenticated;
          comparing the identifier determined from the value against a pre-stored identifier;
          authenticating the device based on the result of the comparison;
          receiving a second value from the device after the step of authenticating, this value being different from the first value and different from the identifier;

determining the identifier from the second value, the second value being a function of the identifier and the number of times the device has been authenticated;

comparing the identifier determined from the second value against a pre-stored identifier; and

authenticating the device again based on the result of the comparison,

wherein the pre-stored value is stored by:

receiving an initial value from the device, the initial value being different from the identifier, the first value and the second value;

determining the identifier from the initial value, the initial value being a function of the identifier; and

storing the initial value.

9 and 10   (canceled)

11.   (currently amended) The method of claim ~~10~~ 8 wherein the difference between the initial value and the second value is different from the difference between first value and the second value.

12.   (original)   The method of claim 8 further including sending information to the device dependant upon whether the device is authenticated.

13.   (original)   The method of claim 8 further using information from the device dependant upon whether the device is authenticated.

14.   (original)   The method of claim 13 further including taking an action dependent upon whether the device is authenticated.

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15.   (original)   The method of claim 8 wherein the function is a pseudo-random generator using the number of times the device have been authenticated as a seed.

16.   (original)   The method of claim 8 wherein the function is intended to make it difficult to predict the next value to be received.

17.   (currently amended) A   system   which   takes   an action   in   response   to   a   signal   from   a   device,   the   system comprising:

an   increment   counter   associated   with   a   value representing the number of times the system has taken an action in response to a signal from the device;

a   pseudo-random   number   generator   using   the   increment counter value as a seed;

memory for storing a value identifying the device; and

instructions   including   using   the   value   of   the increment counter to extract the value identifying the device from   a   value   transmitted   from   the   device,   comparing   the identification value with the value stored in memory, and ~~taking the   action   dependant   upon   the   results   of   the comparison~~authenticating the device if the identification value matches the value stored in memory,

wherein the device includes:

an increment counter;

a random number generator using the increment counter of the device value as a seed; and

instructions   for   using   the   value   of   the   increment counter of the device to create a value for transmission.

18.   (canceled)

19. (original)   The system of claim 18 wherein the system is a toy and the device defines functions to be performed by the toy.

20. (original)   The system of claim 19 wherein the toy is a doll.

21. (original)   The system of claim 17 wherein if the increment counter indicates that the system has not yet taken an action in response to a signal from the device, then the system stores the identification value in memory.

22. (original)   The system of claim 21 wherein the system is a lock and the action taken is locking or unlocking.

23. (currently amended) A method of a destination being authenticated by a source comprising the destination:

maintaining a seed value which is equivalent to a seed value maintained at the source, the seed changing over time, generating a value based on the seed and based on a value identifying the destination whereby the generated value is different from the seed and the destination's identification value;

transmitting the generated value to the source; and

being authenticated to receive information from the source or send information which will be used by the source, the authentication being dependant upon the source using the seed to extract the destination's identification value and comparing the destination's identification value with the value of a destination known by the source to be authentic,

wherein the seed is based on the number of times the destination has been authenticated.

24 and 25 (canceled)

26. (currently amended) The method of claim ~~25~~ 23 wherein the generated number is also based on the last generated value sent from the destination to the source.

27. (original)   The method of claim 23 further comprising the source: generating a value different from the seed but based on the seed; transmitting the generated value to the destination.

28. (original)   The method of claim 27 wherein the value generated by the destination is also based on the last generated value transmitted from the source to the destination.

29. (original)   The method of claim 28 wherein the value generated by the source is also based on the last generated value transmitted from the destination to the source.

30. (original)   The method of claim 23 further comprising the source:

generating a value based on the seed and based on a value identifying the source whereby the generated value is different from the seed and the source's identification value;

transmitting the generated value to the source; and

being authenticated to receive information from the destination or send information which will be used by the destination, the authentication being dependant upon the destination using the seed to extract the source's identification value and comparing the source's identification value with the value of a source known by the destination to be authentic.

31. (original)   The method of claim 30 wherein the destination is not authenticated if the destination has already been authenticated a predetermined number of times.

32 and 33 (canceled)